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## American Chambers of Commerce in Foreign Countries

By JAY E. FITZGERALD

Chamber of Commerce of the United States of America

WITH the ending of the European War came a marked revival of interest in American commercial organizations in foreign countries. Chambers of commerce already in the field launched membership campaigns and took measures to improve their service; publications were revived and enlarged; organizations that had depended on volunteer service employed paid executives and provided the necessary clerical staff; in short, efforts were made to put the American chambers of commerce on an efficient working basis. New organizations were formed in a number of cities, including Peking, Harbin, Hankow and Changsha, China; Sao Paulo, Santos, and Pernambuco, Brazil; Habana, Cuba; La Paz, Bolivia, and Johannesburg, South Africa. In addition to these, there are now American commercial organizations in Paris, London, Barcelona, Milan, Naples, Constantinople, Shanghai, Tientsin, Buenos Aires, Rio de Janeiro, Valparaiso, Barranquilla, Mexico City, Tampico, Monterey and Manila.

As independent, voluntary organizations deriving their support from initiation fees and annual dues and neither controlled nor supported by their government, American chambers of commerce in foreign countries have developed along individual lines. Their type of organization and service methods have been determined largely by local conditions, just as is the case with commercial organizations in the United States. Some of the chambers are incorporated in the United States and others under the laws of the countries in which they are domiciled.

The American chamber at Paris is the oldest organization in the field and

its by-laws have served as a model for a number of chambers formed at later dates. The organizations in London, Barcelona, Milan and Rio de Janeiro and other Brazilian cities adopted most of the features of the Paris statutes. By-laws of the chambers at Shanghai, Tientsin and other cities in China differ in many respects from all others, owing to conditions peculiar to their field. The organizations at Mexico City, Tampico and Monterey have practically the same by-laws, determined in some features by the Mexican legal requirements. The chamber at Buenos Aires worked out by-laws differing in a number of particulars from those of other organizations, and the chambers formed later at Habana and Johannesburg are modeled after these statutes. Constantinople and Naples have similar by-laws, based upon those of the Paris chamber.

The fundamental difference between the types of organization adopted by American chambers abroad lies in their membership qualifications, on which basis they fall, generally, into two classes: those in which active membership is limited to American individuals and firms, and those which admit to active membership citizens and firms of other nationalities. This difference in membership qualifications resulted primarily from the need of support, financial and otherwise, in carrying on the work of the new organizations. If there had been in every foreign city in which an American chamber of commerce was formed a sufficient number of Americans to give it adequate personal assistance and financial support, or if at the outset there had been assurance of sufficient support from business

men in the United States, undoubtedly all of them would have restricted active membership to Americans. Under actual conditions the American colony considering the organization of a chamber had to decide whether to invite support from the business men of the country in which they were located by according them active membership, or to go it alone and trust to help from business interests at home.

Where other than Americans are permitted to become active members, however, the eligibility of foreigners to office in the chamber is more or less restricted, with a view to preserving the American spirit of the organization and ensuring control by the American element in its membership. To require that only Americans be admitted to active membership would probably have delayed the organization of American business interests in some countries, but such a requirement is generally considered desirable and is the ultimate aim of American organizations. It is significant that the policy of the Association of British Chambers of Commerce is to admit to its membership only those British chambers in foreign countries that restrict membership to British individuals and firms.

Most American chambers of commerce in foreign countries have the administrative machinery with which business men in this country are familiar. There are the usual elected and appointed officers, committees, etc., with the work centering around the secretary. The success of the organization depends largely on its secretary, and few chambers are fortunate enough to have among their members someone who can give the necessary time to the work ordinarily performed by a salaried executive and who is likewise qualified for the work. The most promising feature of Amer-

ican commercial organization work abroad is the increasing number of chambers that are employing competent and experienced men as salaried secretaries and providing them with an adequate clerical staff.

Service, in its broadest sense, is the chief function of an American chamber of commerce. It serves the American business public by upholding in foreign countries the highest standards of American commercial practise, by bringing about a solidarity of American interests and promoting their development, by representing to foreign peoples the views and aims of American business men, and by interpreting the foreign point of view to the American business public. In performing such service the American chamber works for all American commercial interests.

By service is usually meant, however, the work undertaken for individual members who through their annual dues are contributing directly to the maintenance of the organization. These members include, in most cases, the resident and non-resident Americans and the native business men who are accorded active or associate membership. Individual service, therefore, is usually designed to meet the needs of all three classes.

A distinction may be made between the service provided voluntarily and regularly, and the service that is given in response to occasional needs. The publications issued by the chamber are an example of the former class, and the adjustment of commercial disputes an example of the latter. In one case the chamber on its own initiative places in the hands of its members a publication containing information of interest and value to them. In the other, the chamber equips itself to render specific service as occasion demands. This readiness-to-serve is more than mere willingness to try to do

things, for readiness implies preparation and organization.

What our commercial organizations abroad are doing for the American business man can be judged from a brief statement of various activities they have undertaken. Not all of them furnish all the services here indicated, nor does the statement include special lines of work that some chambers are doing.

*Information.* All American chambers undertake to furnish their members with information such as statistics of imports and exports of specified lines, reports upon customs duties and regulations, commercial travelers' licenses and fees, inland and ocean transportation routes and tariffs, exchange rates, patents and trade-marks, pending legislation affecting American interests, etc. Information of this character is primarily for the use of American business men. The chamber likewise serves as a medium to acquaint the business men of the foreign country with American views and interpretation of commercial terms, etc. So far as such information is of general interest it may be conveyed to members through the chamber's periodical; matters of interest to only certain classes are sometimes sent to these by letter or circular. There is always, in addition, a certain amount of special information which the chamber has in its files or has arrangements to obtain through its relations with the sources of such information, both governmental and private.

*Credit Reports.* Usually chambers of commerce restrict their credit information service to indicating to inquirers the sources from which such information can be obtained, for a chamber of commerce can not well assume the responsibility involved in making credit reports. Some chambers arrange to secure for their mem-

bers reports from agencies engaged in that business.

*Agents and Connections.* The American chamber of commerce is usually in position to furnish firms in this country with the names of foreign individuals or firms who will make satisfactory agents or representatives. Satisfactory service in this respect depends largely on the chamber's acquaintance with native commercial interests. While some chambers furnish merely the names of persons who might be appointed as agents, others render a distinctly helpful service by giving information as to the nature of the business handled by the foreign firms, their connections in foreign trade and their equipment to handle an agency. Many chambers use their periodicals to furnish both native and American firms with the names of business houses seeking foreign connections.

*Assistance to Travelers.* American salesmen visiting foreign countries, especially those representing firms that are members of the American chambers abroad, look to these organizations for information as to business conditions, local commercial regulations, itineraries, hotel accommodations, etc. They are also anxious to obtain advice as to the best "prospects" to approach. The American commercial organizations, which are thoroughly acquainted with native business interests and which have gained their confidence and esteem, can not only furnish such information but can also secure an entrée for the American traveler that he would not otherwise enjoy. Another service frequently given American travelers is the finding or furnishing of competent interpreters and translators.

To foreign business men who visit the United States the American chamber is especially helpful. It tells them what places they can profitably visit,

maps out tentative itineraries, furnishes letters of introduction, etc. The favorable impressions of the United States and American business men that foreigners carry back to their own countries have been due in many cases to the care taken by American chambers of commerce in planning for their visits and in arranging for them to meet the right people while in this country.

*Office Facilities.* The quarters of an American chamber of commerce are of direct service, in many cities, both to the resident American members and to visitors and native business men. They serve as an American business headquarters, the place where resident Americans meet to discuss their problems and where visiting Americans and others may come for information and for conferences. Most chambers have libraries and reading rooms, where are kept the reference works, periodicals, etc., needed by the chamber in its work, and where informal conferences are held. The libraries of American chambers range in size from those containing a comparatively few of the indispensable reference works up to those having twelve thousand volumes on their shelves. In some organizations special attention is devoted to trade journals and catalogues, which are filed and indexed so that they may be readily consulted by persons seeking information.

*Adjustment of Trade Disputes.* Every American chamber of commerce has opportunities to assist in adjusting trade disputes that arise between American and foreign business men. Some organizations make definite provision for such service through appointment of committees and adoption of a uniform course of procedure in making surveys and handling arbitrations. Many disputes, especially those due to misunderstandings or to misinterpre-

tation of correspondence, are handled in an informal manner. The success of the chamber in arbitration work depends largely upon its establishing and maintaining a reputation for impartiality and efficient handling of cases brought before it.

*Employment.* Some chambers conduct a service designed to find positions for competent employes, and for this purpose use their periodicals. Other chambers also offer to aid employers to find satisfactory persons to fill positions they may have open.

*Publications.* Practically every chamber of commerce issues a weekly, fortnightly or monthly publication. Some are in English only; others in both English and the language of the country in which the chamber is located; still others in the language of the foreign country. Some carry advertising while others do not. Some contain material of interest chiefly to the Americans resident in the foreign country; others aim to present material of interest chiefly to the business man in the United States; still others are designed to make an appeal to all business men, American and foreign, who are interested in the trade of the two countries. Some chambers of commerce have, in addition to the formal publication, a weekly bulletin service designed principally for the active resident membership. In the last two years there has been a notable improvement in these publications, in both appearance and contents. Several chambers have also inaugurated a news service, by which weekly or monthly commercial reports are sent by mail or cable to agencies in the United States for distribution.

There are many other ways in which our commercial organizations abroad can serve the American business man. Some chambers have developed a specialized service system; others, par-

ticularly the younger organizations and those located in cities without a considerable number of resident Americans, are unable to provide the service that will be possible when their membership and revenues are increased.

The American chamber of commerce is always in position to coöperate with the consular service, with representatives of the Department of Commerce, with foreign chambers and with American organizations both in the United States and abroad. In a majority of cases the initiative in establishing the chamber has been taken by the resident American consular officer, and the consul is actively interested in the chamber's work. Arrangements are frequently made with the local foreign organizations for an exchange of publications and service that proves helpful to both.

American chambers of commerce abroad have sometimes complained,

and not without reason, that their work is not accorded the support it should receive from home business men. At the same time they have realized that they lacked a direct point of contact with these home business interests. As a result some American chambers have established, and others are arranging to establish, in the United States representatives and committees to promote their interests, and particularly to increase their membership. Their plans also contemplate providing service through the medium of such representatives and through connections with commercial organizations in this country. A majority of the American chambers are organization members of the Chamber of Commerce of the United States, which is actively taking up the problems they encounter and endeavoring to improve and extend their service.

## The International Chamber of Commerce

By JOHN H. FAHEY

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THE International Chamber of Commerce, which was created in Paris in June, 1920, succeeds the International Congress of Chambers of Commerce and Industrial and Commercial Organizations. The International Congress of Chambers of Commerce was organized in 1904. Its first meeting was held in Liege, Belgium. Thereafter, meetings were held at Milan in 1906, at Prague in 1908, at London in 1910, at Boston in 1912, and at Paris in 1914. A permanent committee was appointed to conduct the affairs of the International Congress between the regular biennial meetings. While this project was approved by the leading countries of

the world, the International Congress failed in the essentials of an international business organization for the reason that it did not have a permanent staff and permanent headquarters to function during the intervals between general meetings, and to give force and effect to the acts and resolutions of the Congress.

Business men of the world recognized this weakness, and at a meeting of the Permanent Committee of the International Congress of Chambers of Commerce, which was held in Paris soon after the signing of the armistice, came to the conclusion that steps should be taken either to reorganize the old International Congress of Chambers